

## Authority to Use Standing Quotations

Ship disposal services meet the definition of a commercial item found at FAR 2.101. They are services offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog or market prices (e.g. scrap prices) under standard terms and conditions. FAR 12.102(a) states that FAR part 12 shall be used for services that meet the definition of a commercial item. When using FAR part 12, FAR 12.203 requires Contracting Officers to employ the simplified procedures authorized by FAR 13.5 to the maximum extent possible. FAR 13.103 permits standing quotations. FAR 12.205(b) encourages Contracting Officers to allow offerors to propose more than one product that will meet the Government's need (in this case that correlates to allowing offerors to propose disposal of any of MARAD's obsolete ships listed for disposal).

By FAR 13.105(b) the Contracting Officer must comply with the public display and synopsis requirements of 5.101 and 5.203. MARAD's notice of intent to use standing quotations meets this requirement.